

CITY OF MORGAN HILL  
JOINT SPECIAL CITY COUNCIL AND  
SPECIAL PLANNING COMMISSION MEETING  
MINUTES - JUNE 6, 2001

**CALL TO ORDER**

Commissioner Lyle called the Special Planning Commission to order at 5:05 p.m. (The joint meeting was deferred until such time that a quorum of City Council members were present.)

**Roll Call Attendance**

**Planning Commission**

Present: Lyle, Mueller, Pinion, Sullivan  
Absent: Kennett, McMahon, Ridner

**DECLARATION OF POSTING OF AGENDA**

City Clerk Torrez certified that the meeting's agenda was duly noticed and posted in accordance with Government Code 54954.2.

The Planning Commission commenced its discussion on proposed revisions to the Residential Development Control System (RDSCS) standards and criteria.

**CALL TO ORDER**

Council Member Tate called the Special City Council meeting to order at 5:10 p.m.

**ROLL CALL ATTENDANCE**

**City Council**

Present: Council Members Carr, Chang, and Tate  
Late: Council Member Sellers (arrived at 5:47 p.m.) and Mayor Kennedy (arrived at 5:55 p.m.)

**DECLARATION OF POSTING OF AGENDA**

City Clerk Torrez certified that the meeting's agenda was duly noticed and posted in accordance with Government Code 54954.2.

**WORKSHOP**

1. **REVIEW OF REVISIONS TO RESIDENTIAL DEVELOPMENT CONTROL SYSTEM (RDSCS) STANDARDS AND CRITERIA AND DISCUSSION OF OTHER POLICY MATTERS RELATING TO THE RDSCS EVALUATION AND ALLOCATION PROCESS**

Planning Manager Rowe presented the staff report. He indicated that the Measure P Subcommittee consisted of three Planning Commissioners: Ralph Lyle, Joseph Mueller, and Yarmila Kennett as

well as two members from the development community: Dick Oliver, Dividend Homes and Carolyn Hipp, Warmington Homes.

The City Council, Planning Commission and Measure P subcommittee conducted a workshop relating to recommended changes to the Measure P Evaluation Criteria.

Mayor Kennedy stated that he had a meeting with a company that provides clean energy sources for residential homes which include solar panels and wind power. He asked if Measure P gives credit for energy conservation or energy generating facilities?

Mr. Rowe responded that energy issues were approached from a point of conservation through increased insulation and use of low e-coating EPA labeled windows. He indicated that the Quality of Construction category addresses energy efficiency.

Mayor Kennedy asked if it would make sense to add a provision for incentives for solar and wind power energy? He noted that energy could be fed back to the grid when not used.

Commissioner Pinion felt that it would be worthwhile to address energy conservation under Measure P but that it was his belief that there has to be additional incentives applied before it becomes pliable.

Mayor Kennedy stated that there are a couple of a million dollars in state funds that are being given in rebates through PG&E for energy conservation measures. He recommended that the same points be awarded for energy efficiency as is being awarded for solar energy.

Commissioner Sullivan felt that more research was needed prior to implementation to determine the points to be awarded for the various energy conservation systems. She did not believe that points should be based on how much it costs the developer to install but based on the amount of energy conservation that would result.

Mr. Oliver recommended points be awarded based on monitory cost for utilizing energy conservation measures.

Mayor Kennedy recommended that the same criteria for solar energy be applied to energy conservation (e.g., 15% = 2 points).

Commissioner Lyle recommended that wording be included that would allow additional energy conservation techniques such as solar and/or wind power.

Rocke Garcia expressed concern that energy conservation measures would be difficult to incorporate with an October 2001 Measure P submittal as developers are far along in the design of their projects.

Council Member Carr asked if there was a way to structure the language to state that not every house in a development is required to utilize energy efficiency?

**Action:**        *It was the consensus of the City Council to **encourage** the use of energy efficiency*

*features and that next competition, the City would be amending the standards and criteria to award points for said.*

Mayor Kennedy addressed the issue of higher density housing in the downtown such as the transit/urban village concept. He recommended that the Council establish a set aside for this concept to encourage higher density development in the downtown

Mr. Rowe advised the Council/Commission that there are four topics that need to be addressed:

- total building allotments through 2010
- should there be a set aside for on going projects (621 units required to complete projects under construction)
- set aside for other projects (downtown transit village, etc.)
- biannual competitions because the numbers available under Measure P are getting small.

Commissioner Lyle said that a transit village would impact ongoing projects. He said that all set asides tend to affect the east side of Monterey Road, noting that most of the backlog of development occurs on the east side.

Commissioner Mueller indicated that there are approximately 400 allocations that are not committed to the year 2010.

Mr. Rowe addressed the number of units that are needed to complete on going projects, including discretionary allotments. He indicated that 621 allocations are needed to allow ongoing projects to be completely built out.

Commissioner Lyle stated that with the recent general plan changes, Mr. Garcia now estimates that the total number of dwelling units he will need for his projects is 205. Therefore, Mr. Garcia's backlog would equal 123 units and the number of westside allocations would equal 173.

Commissioner Mueller recommended that the City look at the number of allocations that have already been allocated to developers and add it to the current population. He said that there are approximately 478 allocations left to the year 2010. This number is not enough to cover all of the projects that are currently underway. If the population keeps increasing, the allotment number available would be even lower. He expressed concern with the formula being used because the City is starting to come to the conclusion of Measure P. The City needs to look at how many allocations would be needed in order to determine the number of allocations left over. He felt that there are approximately 400 allocations available to work with before reaching the population cap.

Commissioner Lyle said that there are not many allotments available. Establishing a new set aside would result in an impact to ongoing projects.

Mayor Kennedy asked how the City can vitalize the downtown with housing?

Mayor Pro Tempore Sellers felt that the community, as a whole, would be supportive of in fill development of the downtown area. He recommended taking the question to the voters if they would support downtown housing being exempt from Measure P.

Council Member Chang felt that high density in the downtown area would be justifiable in the overall picture.

Commissioner Lyle said that the drafters of Measure P understood that there would be a need to revise Measure P. He noted that the City is above where it should be to meet the 38,800 population target. He felt that there needs to be revisions to Measure P but that the question is when it will be done. He was hoping that revisions would occur in the year 2004-2006 but that the question is whether it needs to be sooner. There are a number of issues that could be stated are valid Measure P criteria changes. He noted that the City would soon be undertaking the update to the City's housing element. If there is to be a Measure P revision, does the city council want to make it public at this point or does the city wait until it gets into dialogue with ABAG and the state?

Mayor Kennedy felt that there is a growing recognition that Smart Growth, preservation of open space and agricultural land includes a focus on higher density housing in the center core. He felt that the urban village concept is a smart growth concept.

Council Member Chang stated that citizens in the community do not support high density based on a 1999-general plan survey.

Commissioner Sullivan did not know how the city could sell population growth to a community that states that it does not want any growth or very little growth. If you open up Measure P to the number of homes that would be needed, including low income housing, she did not believe that many citizens would state that Morgan Hill needs additional affordable housing. She felt that the city has to identify the issues to be addressed. A suggestion would be to replace existing units versus the construction of new units. Hard choices may need to be made such as not completing some of the outlining projects in order to fill the downtown. She noted that requests are being made to expand the urban growth boundary. She felt that the City will need to start telling individuals that the City does not have enough current allocations to build on the open space in the city. She did not believe that it made sense to expand the edges of the city as building allotments are not available. She felt that there was a difference between single family houses with lawns and higher density that are four-eight stories high. She did not want to see the development of four or five story buildings but felt that development should occur around the train depot and Butterfield Boulevard. She felt that more density and high density needs to be better defined before the city goes out and talk about new programs.

Council Member Chang felt that the city could set aside some units for a transit village development.

Commissioner Lyle noted that an affordable set aside is in place that could be used for a transit village development. If the transit village is to be a market rate development, it would necessitate a new set aside.

Mayor Kennedy felt that a transit village development needs to be a combination of market rate and affordable units.

Mayor Pro Tempore Sellers felt that there is an acute shortage of affordable housing. He recommended that this issue be agendized, giving some general parameters such as the establishment of a task force.

Commissioner Tate felt that the downtown task force will impact Measure P. He did not believe that the City should be putting Measure P as a constraint around other work to be done.

Commissioner Sullivan felt that a task force and a process are needed to identify competing elements and how a plan could be put together to address the competing elements.

Council Member Carr felt that everyone should understand that the Downtown Plan and the Housing Element should be thought of without constraints to Measure P. He felt that creative thoughts and ideas would result.

Commissioner Sullivan felt that constraints are an opportunity to develop mixed uses among other things, resulting in more kinds of housing and opportunities.

Commissioner Mueller said that the city needs to address on going projects and a two-year competition. He noted that in the last two years, new projects have led the competition.

Commissioner Lyle said that the city could limit the 2003-04 competition to on going projects.

**Action:**        *By consensus, the City Council **directed** the Planning Commission to look at the issue of on going projects and return to the City Council with a recommendation(s).*

#### **FUTURE COUNCIL-INITIATED AGENDA ITEMS:**

No items were noted.

#### **ADJOURNMENT**

There being no further business, Mayor Kennedy adjourned the meeting at 6:43 p.m.

#### **MINUTES RECORDED AND PREPARED BY:**

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**Irma Torrez, City Clerk**